



Sudden Valley Community Association

360-734-6430

4 Clubhouse Circle Bellingham, WA 98229

www.suddenvalley.com

Board of Directors Regular Meeting

June 26, 2025, 7:30 PM, 8 Barn View Ct. MULTIPURPOSE ROOM A

Call to Order

Land Acknowledgement & Anti-Racism Statement

Roll Call

- 1) Adoption of Agenda
- 2) Announcements
- 3) Property Owner Comments – 15 Minutes Total
Please note that comments are limited to 3 minutes per person.
- 4) Consent Agenda
 - a) Approval of Minutes – June 12, 2025 -- Page 2
- 5) Reports
 - a) GM Report – June - Page 6
 - b) Financial Report – April Financials, Capital Reserves - Page 9
 - c) Committee/Task Force Updates
 - i) Architectural Control
 - ii) Document Review
 - iii) Finance Committee
 - iv) Long-Range Planning
 - v) N&E Committee
 - vi) Safety Committee
 - vii) STR Task Force
- 6) Continuing Business
 - a) None
- 7) New Business
 - a) Approval Request: Parcel 33770 Grant of Easement – Page 18
 - b) Review and Approval of 2025 Contract Summary – Page 22
 - c) Capital Request – 2025 Asphalt Improvements to Golf Course -- Page 25

Adjournment



REGULAR SESSION OF THE BOARD OF DIRECTORS

Thursday, June 12, 2025 Minutes

DATE AND LOCATION: MULTIPURPOSE ROOM A

CALLED TO ORDER AT: 7:01 PM

AUDIENCE MEMBERS: Not Recorded

BOARD MEMBERS PRESENT:

1. Keith McLean-Excused	4. Laurie Robinson	7.AJ Tischleider-Excused	10. Robb Gibbs
2. Taimi Van de Polder-Excused	5. Tom Henning	8. Rick Asai	11. Daniel Rodriguez
3. Linda Bradley	6. Ray Meador	9 Stu Mitchell-via Zoom	

ATTENDING:

Staff Members: Michael Bennet General Manager, Joel Heverling-Finance Director, Spencer Huston, IT

Call to Order

Treasurer Rick Asai, Acting Chair called the meeting to order at 7:01 PM.
Land Acknowledgement and Anti-Racism Statement.

1. Director Asai called for motion to adopt the agenda.

Motion: Move to approve the agenda.

Motion By: Director Bradley		Seconded By: Director Meador	
Approved: X	Not Approved:	Tabled:	Died:
In Favor: Unanimous	Against:	Abstained	

2. Announcements.

Go Bag Event June 23rd Dance Barn 6:30PM sponsored by the Safety Committee. Also Map Your Neighborhood.

3. Property owner comments.

- Several property owners spoke about the increase in “public” use of our beaches and facilities during the summer months. Overflowing trash bins, non-residents failing to use the dog park for off leash pets and using anywhere in the marina park to allow pets off leash. Failure to pick up after dogs. The number of non-residents and overcrowding is becoming a problem with the warmer weather.
- Consider more moderate rates for families and members for golf.
- Comments were made to find a method to identify non-members and have a parking permit for residents and a fee for non-member parking. Include funding and implementation in 2026. Simple steps to get a handle on limiting public access and charging fees for use. Stickers for residents’ cars.
- Update on the Pump Track Project. The pre-application is moving forward with the group paying for the cost. The draft is in its final stages. The group has been fundraising and has so far raised about \$4,500 toward the project. The group has contracted with a project manager who has deep experience in recreational facilities and buildouts of this nature to

assist when the time comes and helping meet with the County for permitting. After summer early fall should have an update on the project. Also seeing if they can do a bike fair rodeo at the Valley Fair in July.

- A member asked if the Board could investigate covering the Quiet Pool for continued use in the off-season. Possibly doing a charter membership plan to help cover the cost of the project.

4. Approval of Minutes

Motion: Move that the Board adopt the draft board meeting minutes from 5.22.2025, as submitted.

Motion By: Director Bradley	Seconded By: Director Henning		
Approved: X	Not Approved:	Tabled:	Died:
In Favor: Unanimous X	Against:	Abstained	

5. Reports

5a. GM April Report (Pages 7-9)

5b. Committee Updates

- i) **Architectural Control**-Nothing new to report but still have committee openings.
- ii) **Document Review**-Had technical difficulties with our first meeting so will be rescheduled for June 25th.
- iii) **Finance Committee**-No meeting since our May meeting. We are looking at starting to build on the budget and still have an opening on the committee.
- iv) **Long-Range Planning**-We met on the 1st Thursday of the month. It was full attendance. We were discussing two opportunities to bring in revenue to the community instead of spending money but have some revenue. We have had four proposals, one that was brought surprisingly was about parking in stickers and charging visitors. We do have a proposal to bring to the board the next board meeting regarding that, so action is in process regarding stickers. Looking at possible solar panel farm on the old runway property. SVCA property to lease for a long term care facility here for residents who may want to stay close to home for care. Also looking at a coffee and ice cream place. There is currently an opening on the committee.
- v) **N&E Committee**-Getting ready for the AGM, Developed our communication plan. The Board and committee did a test of the online voting option. It is an easy and safe way to vote at the AGM. More information will be coming for the membership regarding this new option. Hoping this additional method of voting will increase the number of members voting. The committee has a vacancy.
- vi) **Safety Committee**- we have our June 23rd Go Bag presentation, also moving along on the loaner rack for the life jackets down in the Marina. Trying to submit something into the budget for "how fast you're going" reader signs as speeding has become an issue on some of the main roads.
- vii) **STR Taskforce**-We have met twice already, and we have identified other things that we also like to just keep on top. I think in our next meeting we will talk about finishing that up. And then the implementation of the registration because that is going to be an issue, too, and then just identifying some things that we need on the form.
We just put a lot of stuff on the table and wanted to know exactly what we are dealing with at this point. We are trying to nail down an STR registration form and any items requiring legal or other professional advice on, just to see what we can and cannot do.

6. Continuing Business

6a. Request to Rescind ACC Board Policies replaced by 2025 ACC Manual

Motion: Move that the SVCA Board of Directors approve rescinding the listed ACC policies

regarding ACC activities.

Motion By: Director Bradley		Seconded By: Director Gibbs	
Approved: X	Not Approved:	Tabled:	Died:
In Favor: Unanimous X	Against:	Abstained	

7. New Business

7a. Ratify Executive approval of the 2025-2026 Insurance Package Renewal.

Motion: Move that the Board of Directors authorize the GM. to bind coverage for the insurance renewal package before May 31, 2025. Policy expiration deadline at the \$15 million dollar Umbrella coverage level.

Motion By: Director Bradley		Seconded By: Director Gibbs	
Approved: X	Not Approved:	Tabled:	Died:
In Favor: Unanimous X	Against:	Abstained	

7b. Capital Request-Lake Louise Slide Gate Repair (Phase One)

Motion: Move that the SVCA Board of Directors approve the allocation of \$30,895.54 from the CRRRF for Phase One of the Lake Louise Slide Gate Replacement Project.

Motion By: Director Bradley		Seconded By: Director Robinson	
Approved: X	Not Approved:	Tabled:	Died:
In Favor: Unanimous	Against:	Abstained:	

7c. UDR Funding Request-Additional Funds for Hazard Tree Removal

Motion: Move that the Board of directors obligate an additional \$100,000 from the UDR Fund for the continued funding of the 2025 operational, hazardous tree removal services.

Motion By: Director Asai		Seconded By: Director Bradley	
Approved: X	Not Approved:	Tabled:	Died:
In Favor: Unanimous	Against:	Abstained:	

7d. Approval Request- Marigold Drive Crosswalk Striping and Signage

Motion: Move that the Board of Directors authorize the General Manager to contract for crosswalk striping and direct SVCA maintenance to install WSDOT, compliant pedestrian crossing signs at the Marigold Drive Crosswalk location for a total project cost of \$1,400. (One time funded from Operations-Roads& Maintenance)

Motion By: Director Bradley		Seconded By: Director Henning	
Approved: X	Not Approved:	Tabled:	Died:
In Favor: Unanimous	Against:	Abstained:	

***Note:** The Board directed the General Manager to investigate the cost to design and install a STOP sign in the area.

8. Closed Executive Session

8a. Legal- Delinquent Assessment Payment Plan

Motion: Move to closed session at 8:37PM

Motion By: Director Bradley		Seconded By: Director Gibbs	
Approved: X	Not Approved:	Tabled:	Died:
In Favor: Unanimous	Against:	Abstained:	

Motion: Call the open session of the Board meeting back into session at 9:43PM

Motion By: Director Asai		Seconded By: N/A	
Approved: X	Not Approved:	Tabled:	Died:
In Favor: Unanimous	Against:	Abstained:	

There is a motion coming out of closed session.

Motion: Move that the Board of Directors have selected to accept Option 3 of the assessment payment plan.

Motion By: Director Bradley		Seconded By: Director Gibbs	
Approved: X	Not Approved:	Tabled:	Died:
In Favor: Unanimous	Against:	Abstained:	

Adjournment: 9:44PM

Approved by: _____
Linda Bradley, Board of Directors Secretary

GENERAL MANAGER'S REPORT

June 2025

Michael Bennett, General Manager

Sudden Valley Community Association

June Overview

June arrived with classic Pacific Northwest charm—mild mornings, warm afternoons, and the occasional spring drizzle giving way to dry and sunny stretches. Precipitation through mid-June totaled 22.41 inches year-to-date, noticeably drier than the same period last year (30.84 inches), allowing summer programming and maintenance to surge ahead across all departments. The community has come alive with outdoor activity, project completions, and preparations for a bustling July.

Community Engagement and Events

- The Valley Fair 2025 is scheduled for Saturday, July 26, 2025, running from 10:30 AM to 3:00 PM at the Community Center (8 Barn View Court, Bellingham, WA). The Fair remains our flagship summer community event and is expected to draw significant participation. See you!
- The Recreation Department has launched planning for a Sudden Valley 5K, tentatively scheduled for September. Local involvement has been strong, and the event is poised to become a recurring community highlight.
- Play the Valley Sports Camp and other summer youth activities are being developed and marketed, with an emphasis on inclusive and engaging recreational opportunities.
- Daily popcorn offerings in the Community Center have proven popular and are a small but successful initiative to increase engagement and improve visitor experience.

Recreation and Pools

- Pool operations are now fully underway with the conclusion of the school year. Staff availability has improved significantly, allowing for a smoother experience for

members and guests. Policies are being revised to ensure clarity and inclusivity, including updates to Quiet Pool rules and signage.

- Lifeguard training is scheduled for June 23, and remaining kayak rack spaces are being assigned.
- Two quotes for cardio equipment replacement at the Fitness Center are under review, while resistance training accessories have been added to support a broader range of fitness goals.

Golf Operations and Turfcare

- The Golf Department successfully onboarded new 1st Assistant Danielle Bailey and completed documentation for the annual audit. Please give her a warm welcome!
- Highlights include preparation for Junior Golf Camp, scheduled for late June, and ongoing planning for the Ladies Invitational, BIAWC Tournament, and Aslan Fundraiser in August.
- The Turfcare team has maintained consistent mowing schedules and opened the #9 Green and chipping green for play in May.
- Technical maintenance included replacing irrigation controller parts, cleaning the Lake Louise pump intake, and beginning turf cleanup around permanent markers.
- Height of greens has been reduced to .105" for improved play, and topdressing and Verti-cutting are scheduled in the coming weeks.

Maintenance Operations

- Firewise defensible space mitigation is complete, with 600 staff hours and increased resident participation. This frees up the crew to focus on other high-impact tasks.
- New signage has been installed at Gate 2 and the Marina, greatly improving the sense of arrival and providing better readability and information.
- Facility repairs included:
 - Sauna boards and lighting
 - ADA lift at the main pool

- Toilets at Hole 14 and Clubhouse
- New blinds and signage installations at Welcome Center and Marina
- Grounds maintenance ramped up with mowing completed in most Gates, and center line road striping finalized.
- The team also supported environmental efforts, including lily pad mitigation at Lake Louise and preparation for an Eagle Scout-led Personal Flotation Device (PFD) “loaner” kiosk project.

Notable Community and Regional Events

- Bellingham’s Fairhaven Summer Repertory Theatre, Downtown Night Markets, and Lake Whatcom paddle sports events are all in full swing, contributing to broader local tourism and recreational interest.
- SVCA’s proximity to these events provides opportunities for cross-promotion and regional draw, particularly for golf, pool use, and clubhouse rentals.

Closing Remarks

Sudden Valley moves confidently into the summer season with strong departmental coordination, growing resident engagement, and favorable weather for capital and recreational activities. As we enter July, our priorities will include finalizing preparations for the Valley Fair, addressing key infrastructure maintenance, supporting lake health initiatives, and delivering on our promise of a vibrant and inclusive community experience.

Sudden Valley Community Association

Sudden Valley Community Association
Balance Sheet
April 30, 2025 and December 31, 2024

	<u>Unaudited**</u>	<u>Unaudited**</u>	
	<u>Apr 30, 2025</u>	<u>Dec 31, 2024</u>	<u>Inc / (Dec)</u>
OPERATIONS			
Current Assets			
Operating Cash	\$ 552,305	\$ 566,838	\$ (14,533)
Building Completion Deposit Fund	659,910	749,910	(90,000)
Member Receivables - Operations*	-	53,456	(53,456)
Other Receivables	16,609	16,109	500
Prepaid Expenses	25,148	88,683	(63,535)
Operating Lease ROU Assets	5,525	6,210	(685)
Inventory	6,791	5,824	967
Total Current Assets	1,266,288	1,487,030	(220,742)
Current Liabilities			
Accounts Payable	(86,590)	(145,144)	58,554
Accrued Vacation Liability	(90,290)	(76,335)	(13,955)
Accrued Payroll	-	(115,575)	115,575
Prepaid Assessments	(319,111)	(249,179)	(69,932)
Building Completion Deposits	(659,910)	(749,910)	90,000
Other Refundable Deposits	(12,716)	(9,956)	(2,760)
Operating Lease Liability	(5,525)	(6,210)	685
Prepaid Golf Memberships	-	(112,307)	112,307
Total Current Liabilities	(1,174,142)	(1,464,616)	290,474
Deferred Lease Revenue Liabilities			
Deferred Library Lease Revenue	(33,333)	(36,000)	2,667
Total Deferred Lease Revenue Liabilities	(33,333)	(36,000)	2,667
Operating Reserve Funds			
Emergency Operating Cash	364,190	363,815	375
Undesignated Reserves Cash	349,196	302,135	47,061
Total Operating Reserve Funds	713,386	665,950	47,436
Net Operating Assets	\$ 772,199	\$ 652,364	\$ 119,835
CAPITAL			
Capital Current Assets			
CRRRF (Capital Repair & Replacement) Cash Fund	3,385,340	3,138,292	247,048
Roads Reserve Cash Fund	2,450,771	2,102,139	348,632
Board Density Reduction Cash Fund	87,937	87,889	48
Mailbox Cash Fund	160,970	151,970	9,000
CRRRF Capital Reserve Holding Cash	219,844	219,618	226
Mitigation Assignment of Savings Cash	49,852	49,821	31
LWWS Assignment of Savings Cash	14,942	14,939	3
Member Receivables - Capital**	-	13,625	(13,625)
Total Capital Current Assets	6,369,656	5,778,293	591,363
Capital Fixed Assets			
Fixed Assets	16,982,696	17,125,452	(142,756)
Finance ROU Assets	32,727	58,661	(25,934)
Lots Held for Sale	236,456	236,456	-
Total Capital Assets	17,251,879	17,420,569	(168,690)
Long Term Liabilities			
CRRRF Loan 2022	(1,449,177)	(1,539,073)	89,896
Finance Leases	(25,210)	(44,203)	18,993
Total Long Term Liabilities	(1,474,387)	(1,583,276)	108,889
NET ASSETS	\$ 22,919,347	\$ 22,267,950	\$ 651,397
MEMBER EQUITY			
Member Equity			
Current Year Net Income: Operations	118,688	(3,713)	122,401
Transfers Out from Operations to Capital	-	(145,600)	145,600
Current Year Net Income: Capital**	532,709	1,384,061	(851,352)
Transfers Into Capital from Operations	-	145,600	(145,600)
Retained Earnings**	5,229,179	5,232,892	(3,713)
Capital**	17,038,771	15,654,710	1,384,061
TOTAL MEMBER EQUITY	\$ 22,919,347	\$ 22,267,950	\$ 651,397

* The Association's internal policy is to write off any member receivables that are 30 days past due as bad debts for internal interim financial statement purposes. As per SVCA policy, Management continues to pursue collection of these receivables via all avenues allowed by Washington State laws. In addition, the Association records and bills finance charges on receivables that are thirty days past due at 1% per month. At April 30, 2025, and December 31, 2024, the balances of receivables written off were \$762,116 and \$699,426, respectively.

** Beginning with the 2020 year end audited financial statements, Accounting Standards Codification (ASC) 606 requires issued audited financial statements to reclassify unspent capital dues revenue, including related capital transfer fee collections, as a contract liability balance (unearned revenue), which is then reversed out in future years when capital dues/capital transfer fee collections are actually expended on capital related expenditures. This particular accounting standard change is only incorporated into the issued audited financial statements and is not factored into SVCA's internal monthly statements as it would obscure the reality of monthly capital dues/capital transfer fee revenues collected for internal monthly presentation purposes. See SVCA's 2020 through 2023 audited financial statements (2023 represents the most recently issued audited statements), which fully incorporate ASC 606 and comply with Generally Accepted Accounting Principles (GAAP).

Sudden Valley Community Association

Sudden Valley Community Association
Income Statement Summary

<u>UNAUDITED</u>	Current Month - April 2025			Year to Date - 4 Months Ending 4/30/2025		
	Operations & Operating Reserves	Operations Better / (Worse) Budget	Capital Reserves**	Operations & Operating Reserves	Operations Better / (Worse) Budget	Coll % Capital Reserves**
REVENUE						
Current Year Dues & Assessments Income						
Dues & Assessments Income	239,756		248,458	955,011		989,218
Bad Debt Reserve	(2,954)		(1,478)	(33,627)		(24,600)
Net Current Year Assessment Income	236,802	10,695	246,980	921,384	16,957	96.5% 964,618
Bad Debt Recoveries - Prior Years			3,899			25,057
Golf Income	102,523	31,776	-	370,793	11,299	-
Marina Income	13,356	4,263	-	221,660	5,991	-
Rec Center & Pools Income	749	379	-	4,290	2,564	-
Legal & Collections Income	-	-	-	-	-	-
Other Income	14,917	4,598	-	72,819	36,241	-
Rental Income - Other	1,210	389	-	3,730	1,115	-
Area Z Rental Income	6,500	15	-	12,566	(363)	-
Lease Income	5,732	949	-	22,926	3,793	-
New Home Construction Fees	7,000	(7,120)	-	42,000	25,220	-
Capital Gain (Loss) on Sale of Assets	-	-	-	-	-	1,000
Investment Income	623	40	2,521	2,743	411	11,616
Total Revenue	389,412	45,984	253,400	1,674,911	103,228	1,002,291
EXPENSES						
Salaries & Benefits	184,888	9,714	-	740,532	6,911	-
Contracted & Professional Services	8,534	7,423	-	61,741	(5,643)	-
CC&Rs/ Mandates	55,157	(17,671)	-	191,685	(40,708)	-
Maintenance & Landscaping	53,829	(6,299)	-	162,643	14,788	-
Utilities	26,176	(2,387)	-	77,386	1,944	-
Administrative	14,637	(2,111)	-	67,915	(4,026)	-
Regulatory Compliance	55,461	(44,906)	-	163,053	(77,771)	-
Insurance Premiums	16,254	1,252	-	65,016	5,011	-
Other Expenses	-	417	-	217	1,450	-
Depreciation Expense	-	-	108,710	-	-	434,840
Interest expense	-	-	5,136	-	-	21,117
Total Expenses	414,936	(54,568)	113,846	1,530,188	(98,044)	455,957
Net Income (Loss)	(25,524)	(8,584)	139,554	144,723	5,184	546,334
Net UDR Activity for Operations						
Legal Expenses - Past Due Account Collections	-			(9,984)		
Net Income (Loss) with Board Approved UDR	(25,524)	(8,584)	139,554	134,739	5,184	546,334
Other Activity						
Net Other UDR Activity*	7,601			48,693		
AR Accrual - Prior Year Reversal	-			(53,456)		(13,625)
AR Accrual - Current Year	-			-		-
Lease Income- Library Prepaid Recognized	667			2,667		
Vacation Liability Accrual	(2,359)			(13,955)		
Total Other Activity	5,909			(16,051)		(13,625)
Grand Total Activity	(19,615)	(8,584)	139,554	118,688	5,184	532,709

*Prior year recoveries for operations are deposited into the Undesignated Reserve Account (UDR).

**Refer to the last footnote on the Balance Sheet (prior page) for a discussion of Accounting Standards Codification (ASC) 606 and capital dues revenue collections.

Sudden Valley Community Association

Sudden Valley Community Association
Reserve Cash Balance & Activity
4 Months Actual, 8 Months Projected

UNAUDITED

	Capital Reserve Funds						Total Capital Reserve Funds	Operating Reserve Funds		Total Operating Reserve Funds
	CRRRF	Roads	CRRRF Capital Reserve Holding Cash	Board Density Reduction	Mailbox	Mitigation Assignment of Savings*		Emergency Ops	UDR	
Net Available Cash 12/31/2024	3,138,292	2,102,139	219,618	87,889	151,970	64,760	\$ 5,764,667	363,815	302,135	\$ 665,950
Dues Received	479,663	495,291	-	-	8,841	-	983,795	-	62,161	62,161
Storm Water Mitigation Plan Fee	-	-	-	-	-	-	-	-	-	-
Investment Income	6,552	4,595	226	49	159	35	11,616	375	326	701
Sale of Assets	1,000	-	-	-	-	-	1,000	-	-	-
Mitigation Release	-	-	-	-	-	-	-	-	-	-
2025 Expenditures	(240,167)	(151,254)	-	-	-	-	(391,421)	(15,426)	(15,426)	(15,426)
Net Available Cash at 4/30/2025	3,385,340	2,450,771	219,844	87,937	160,970	64,794	\$ 6,369,656	364,190	349,196	\$ 713,386
8 Month Outlook										
Outlook - 2025 Dues (95% collections)	915,995	942,078	-	-	16,835	-	\$ 1,874,908	-	-	\$ -
Outlook - Prior Year Collections	13,262	13,639	-	-	244	-	27,145	26,188	26,188	26,188
CRRRF Loan Payments for year 2025	(222,026)	(222,026)	-	-	-	-	(222,026)	-	-	-
Obligated Expenses/Holdings	(870,091)	(1,444,309)	(219,844)	-	-	(64,794)	(2,599,038)	(17,056)	(17,056)	(17,056)
Net Usable Cash Balance 12/31/2025	3,222,480	1,962,179	-	87,937	178,048	-	\$ 5,450,644	364,190	358,328	\$ 722,518
Board Recommended Carryover Balance	(600,000)	(500,000)	-	-	-	-	\$ (1,100,000)	-	-	\$ -
Net Usable Cash 12/31/2025, After Recommendation	\$ 2,622,480	\$ 1,462,179	\$ -	\$ 87,937	\$ 178,048	\$ -	\$ 4,350,644	\$ 364,190	\$ 358,328	\$ 722,518
Net Current Year Cash Increase (Decrease)	84,188	(139,960)	(219,618)	49	26,078	(64,760)	\$ (314,023)	375	56,193	\$ 56,568

*Note, when mitigation period has ended, unspent funds will be returned to the source account, Roads and CRRRF.

Sudden Valley Community Association

Sudden Valley Community Association
Operations - By Department
April 1, 2025 to April 30, 2025
CURRENT MONTH

Whole \$

<u>UNAUDITED</u>	<u>Actual Revenue</u>	<u>Revenue B / (W)</u>	<u>Actual Salary Benefits</u>	<u>Salary & Benefits B / (W)</u>	<u>Actual Other Expense *</u>	<u>Other Exp B / (W)*</u>	<u>Net Income / (Loss) *</u>	<u>Net B / (W)*</u>
<u>Department</u>								
ACC / Security	14,950	(2,884)	7,590	(476)	78,969	(40,420)	(71,609)	(43,780)
Accounting	1,637	(661)	28,839	1,203	2,195	(552)	(29,397)	(10)
Administration	462	385	29,738	6,688	10,500	2,541	(39,776)	9,614
Common Costs	3,791	(125)	-	-	47,502	(18,407)	(43,711)	(18,532)
Facilities	12,232	797	4,375	255	19,706	(3,501)	(11,849)	(2,449)
Maintenance	-	-	26,077	6,191	5,421	(1,433)	(31,498)	4,758
Subtotal	33,072	(2,488)	96,619	13,861	164,293	(61,772)	(227,840)	(50,399)
Golf	102,523	31,776	66,054	2,967	52,620	(5,235)	(16,151)	29,508
Marina	15,056	5,066	-	-	3,652	(2,253)	11,404	2,813
Rec/ Pools/ Parks	1,959	935	22,215	(7,114)	9,483	4,978	(29,739)	(1,201)
Subtotal	119,538	37,777	88,269	(4,147)	65,755	(2,510)	(34,486)	31,120
Subtotal Operations before Ops Dues	152,610	35,289	184,888	9,714	230,048	(64,282)	(262,326)	(19,279)
Ops Dues Earned	239,756						239,756	
Curr Yr Bad Debts Activity	(2,954)						(2,954)	
Net Ops Dues	236,802	10,695					236,802	10,695
Net Operations	389,412	45,984	184,888	9,714	230,048	(64,282)	(25,524)	(8,584)
Net BOD Approved UDR Activity for Operations								
Legal Expenses - Past Due Account Collections	-						-	
Net Operations with Board Approved UDR	389,412	45,984	184,888	9,714	230,048	(64,282)	(25,524)	(8,584)
Other Operating Activity								
UDR Activity	8,156				555		7,601	
AR Accrual - Prior Year Reversal	-				-		-	
AR Accrual - Current Year	-				-		-	
Lease Income- Library Prepaid Recognized	667				-		667	
Vacation Liability Accrual	-				2,359		(2,359)	
Total Other Operating Activity	8,823				2,914		5,909	
Grand Total Operations Activity	398,235	45,984	184,888	9,714	232,962	(64,282)	(19,615)	(8,584)

* Excludes Depreciation

B / (W) = Better / (Worse) Than Budget

Sudden Valley Community Association

Sudden Valley Community Association
Operations - By Department
January 1, 2025 to April 30, 2025
YEAR TO DATE

Whole \$

UNAUDITED

Department

	Actual Revenue	Revenue B / (W)	Actual Salary Benefits	Salary & Benefits B / (W)	Actual Other Expense *	Other Exp B / (W)*	Net Income / (Loss) *	Net B / (W)*
ACC / Security	77,949	49,610	29,478	(1,646)	221,786	(65,900)	(173,315)	(17,936)
Accounting	9,196	(1,184)	113,442	4,057	22,269	(2,102)	(126,515)	771
Administration	1,113	883	128,338	14,142	64,396	(25,057)	(191,621)	(10,032)
Common Costs	27,277	11,613	-	-	188,219	(39,838)	(160,942)	(28,225)
Facilities	35,492	2,763	17,150	993	55,750	24,058	(37,408)	27,814
Maintenance	-	-	132,749	1,752	24,649	12,100	(157,398)	13,852
Subtotal	151,027	63,685	421,157	19,298	577,069	(96,739)	(847,199)	(13,756)
Golf	370,793	11,299	235,453	16,113	172,893	(7,574)	(37,553)	19,838
Marina	223,685	6,940	-	-	9,540	(3,045)	214,145	3,895
Rec/ Pools/ Parks	8,020	4,346	83,922	(28,500)	30,152	2,404	(106,054)	(21,750)
Subtotal	602,498	22,585	319,375	(12,387)	212,585	(8,215)	70,538	1,983
Subtotal Operations before Ops Dues	753,525	86,270	740,532	6,911	789,654	(104,954)	(776,661)	(11,773)
Ops Dues Earned	955,011						955,011	
Curr Yr Bad Debts Activity	(33,627)						(33,627)	
Net Ops Dues	921,384	16,957					921,384	16,957
Net Operations	1,674,909	103,227	740,532	6,911	789,654	(104,954)	144,723	5,184
Net BOD Approved UDR Activity for Operations								
Legal Expenses - Past Due Account Collections	-				9,984		(9,984)	
Net Operations with Board Approved UDR	1,674,909	103,227	740,532	6,911	799,638	(104,954)	134,739	5,184
Other Operating Activity								
UDR Activity	54,149				5,456		48,693	
AR Accrual - Prior Year Reversal	(53,456)				-		(53,456)	
AR Accrual - Current Year	-				-		-	
Lease Income- Library Prepaid Recognized	2,667				-		2,667	
Vacation Liability Accrual	-				13,955		(13,955)	
Total Other Operating Activity	3,360				19,411		(16,051)	
Grand Total Operations Activity	1,678,269	103,227	740,532	6,911	819,049	(104,954)	118,688	5,184

* Excludes Depreciation

B / (W) = Better / (Worse) Than Budget

Sudden Valley Community Association

SUDDEN VALLEY COMMUNITY ASSOCIATION - LOTS & DUES ANALYSIS 2025

																					SVCA Owned Lots													
Actual Year Prepaid			Actual Current			Actual 1 Mth Due		Actual 2 Mth Due		Actual 3 Mth Due		Actual 4+ Mth Due		Pmt Plans			Total Prepaid & Current			Total Not Current			Total Billable Lots			Restricted								
	Vac	Dev	Total	Vac	Dev	Total	Vac	Dev	Vac	Dev	Vac	Dev	Vac	Dev	Total	Vac	Dev	Total	Vac	Dev	Total	Vac	Dev	Total	Perm	WB10	Avail.	Total	LLE & CTB	Dues Exempt	Total Non Billable Lots	Total All Lots		
Jan	16	82	98	276	2,529	2,805	24	103	2	8	3	10	18	37	2	8	292	2,611	2,903	49	166	215	341	2,777	3,118	774	0	3	777	740	6	1,523	4,641	
Feb	18	96	114	277	2,527	2,804	16	82	8	24	0	6	19	34	2	8	295	2,623	2,918	45	154	199	340	2,777	3,117	775	0	3	778	740	6	1,524	4,641	
Mar	21	95	116	280	2,554	2,834	6	61	8	14	3	8	19	37	2	8	301	2,649	2,950	38	128	166	339	2,777	3,116	776	0	3	779	740	6	1,525	4,641	
Apr	21	100	121	285	2,551	2,836	7	62	1	10	3	12	20	32	2	10	306	2,651	2,957	33	126	159	339	2,777	3,116	776	0	3	779	740	6	1,525	4,641	
May	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Jun	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Jul	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Aug	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sep	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Oct	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Nov	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Dec	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

LLE = Lot Line Eraser
CTB = Covenant to Bind

		Sudden Valley Community Association - Capital Project Report									
		Roads Projects Open in 2025									
		Updated as of		4/30/2025							
BOARD APPROVED PROJECT						BUDGETED	A		B	A-B	
Cost Manager	Approval Date	GL	Project Name	Fund	Status	Board Approved	Total Invoiced		Acctg Funds Obligated		
GM	3/25/21	9921.03	2021 Southern Court Stabilization & Ashpalt Repairs	ROADS	Closed	189,271	189,271		-		
GM	10/13/22 & 2/22/24	9922.8	Cold Spring Drainage Repair	ROADS	Closed	65,596	65,309		-		
GM	2/9/23	9923.1	10 Year Capital Roads & Drainage Improvement Plan	ROADS	Closed	132,350	132,348		-		
GM	4/27/23	9923.3	2023 Roads On-Call Engineering	ROADS	Closed	40,000	39,995		-		
GM	5/11/23	9923.41 & 9923.412	2023 Street Sign Replacement	ROADS	Open	31,084	30,536		548		
GM	5/11/23 & 6/8/23	9923.42	2023 Street Pavement Markings	ROADS	Open	31,803	26,701		5,102		
GM	8/10/23	9923.5	2024 Road & Drainage Design - Permitting	ROADS	Closed	36,619	36,619		-		
Maint Manager	2/22/24	9924.1	2024 Fast Response Drainage Issues	ROADS	Closed	88,400	51,261		-		
GM	2/22/24	9924.2	2024 On-Call Engineering	ROADS	Closed	41,600	40,305		-		
GM	2/22/24	9924.3	2024 Potholes & Minor Road Repairs	ROADS	Open	36,400	33,378		3,022		
GM	2/22/24 & 4/25/24 & 9/5/24	9924.4	2024 Deer Run Lane & SVCA Culvert Replacements	ROADS	Closed	984,779	984,776		-		
GM	2/22/24	9924.5	2024 Renewal of 5-yr programmatic Permits	ROADS	Open	30,000	30,740		(740) X		
GM	2/22/24 & 3/27/25	9924.6	Area Z Access Bridge & Culvert #4 Replacement with Bridge (2024 Design/Permitting & 2025 Construction)	ROADS	Open	1,219,468	166,266		1,053,202		
GM	2/22/24	9924.9	2024 Bi-Annual Bridge Inspections	ROADS	Open	5,561	5,561		-		
GM	2/27/25	9925.1	2025 Fast Response	ROADS	Open	91,936	-		91,936		
GM	2/27/25	9925.2	2025 On-Call Engineering	ROADS	Open	44,559	4,556		40,003		
GM	2/27/25	9925.3	2025 Pot Holes & Minor Road Repairs	ROADS	Open	37,856	7,388		30,468		
Maint Manager	2/27/25 & 4/24/25	9925.4	2025 Street signs & Pavement Markings	ROADS	Open	23,731	2,398		21,333		
Maint Manager	2/27/25	9925.5	Design/Permits for 2026 Road Projects	ROADS	Open	41,888	-		41,888		
GM	12/12/24 & 4/24/25	8004	Roadside Tree Removal - November Storm Response	ROADS	Closed	-	-		-		
			Subtotal Roads Open Projects			\$ 3,172,901	\$ 1,847,408		\$ 1,286,762		
Maint Manager	2/22/24	9924.7	2024 CVC Supplies & Outside Contractor	ROADS	Open	59,520	68,292		(8,772) A		
Maint Manager	2/22/24	9924.72	2024 CVC Wages, Taxes, & Benefits	ROADS	Open	65,800	56,104		9,696 A		
			Subtotal 2024 Roads CVC Project			\$ 125,320	\$ 124,396		\$ 924		
Maint Manager	2/27/25	9925.7	2025 CVC Supplies & Outside Contractor	ROADS	Open	99,559	202		99,357 B		
Maint Manager	2/27/25	9925.72	2025 CVC Wages, Taxes, & Benefits	ROADS	Open	67,774	11,248		56,526 B		
			Subtotal 2024 Roads CVC Project			\$ 167,333	\$ 11,450		\$ 155,883		
			Open Project Totals, Roads			\$ 3,298,221	\$ 1,971,804		\$ 1,443,569		
A	9924.7 and 9924.72 are the same project.										
B	9925.7 and 9925.72 are the same project.										
X	Overbudget amount will be charged to operations.										
									Adjusted Balance		
									\$ 1,444,309		

		Sudden Valley Community Association - Capital Project Report									
		UDR Projects Open in 2025									
		Updated as of		4/30/2025							
		BOARD APPROVED PROJECT				BUDGETED		A		B	
Cost Manager		Approval Date		GL		Project Name		Fund		Status	
GM	12/19/16	9902	Area Z Mitigation	UDR	Open	●	186,290	179,053		7,237	
GM	4/13/23	9623	Firewise	UDR	Open	●	4,000	12,457	(8,457)	A	
GM	4/13/23	9623.02	Firewise Wages, Taxes, & Benefits	UDR	Open	●	27,600	17,046	10,554	A	
				Total Firewise			\$ 31,600	\$ 29,503	\$ 2,097		
GM	3/28/24	9624.01	2024 Hazardous Tree Removal	UDR	Closed	●	55,000	55,000		-	
GM	6/13/24	9624.02	2024 GM Search	UDR	Open	●	32,850	25,128	7,722		
GM	5/23/24 & 8/8/24	9624.03	2024 Accounting Manager Funding	UDR	Closed	●	45,000	-	-		
GM	8/22/24	9624.04	Legal Exp. for Past Due Accts Collections	UDR	Closed	●	20,000	20,000	-		
GM	12/12/24	9624.05	Roadside Tree Removal - November Storm Response	UDR	Closed	●	-	-	-	B	
				Open Project Totals, UDR			\$ 370,740	\$ 308,684	\$ 17,056		
				A 9623 and 9623.02 are the same project.							
				B The Board ratified the Executive Team's decision to obligate \$95,000 for Roadside Tree Removal, and then also additionally voted to deobligate this same amount during the same Board meeting on 12/12/2024. This \$95,000 UDR amount that was initially ratified was then shortly voted later to be utilized from the approved Roads Project# 8004 instead, which was also approved by the Board on 12/12/2024.							



APPROVAL REQUEST MEMO

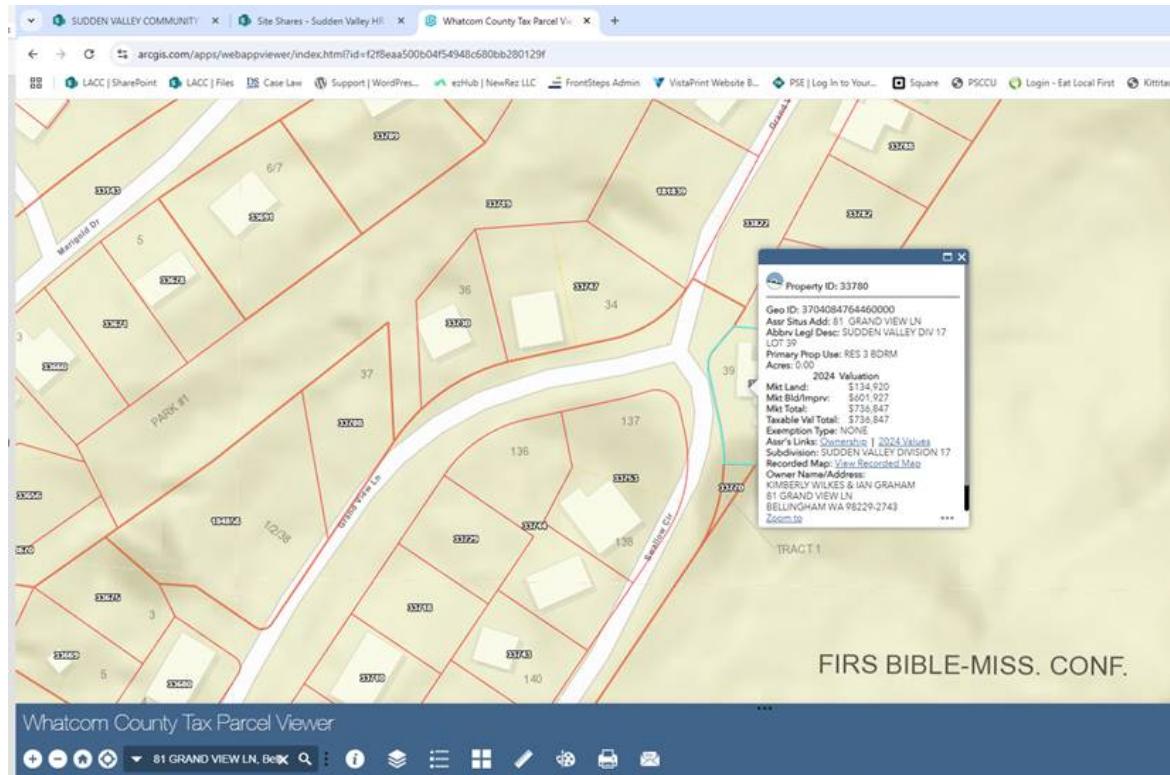
To: Sudden Valley Community Association Board of Directors
From: Michael Bennett, General Manager
Date: June 26, 2025
Subject: Approval Request – Granting Easement on Parcel 33770 (Tract 1) to Ian Graham

Purpose

To request Board consideration of granting a recorded easement, rather than a sale, to allow owner Ian Graham (81 Grand View Lane) lawful access and limited use of Parcel 33770 for drainage management and vegetation maintenance.

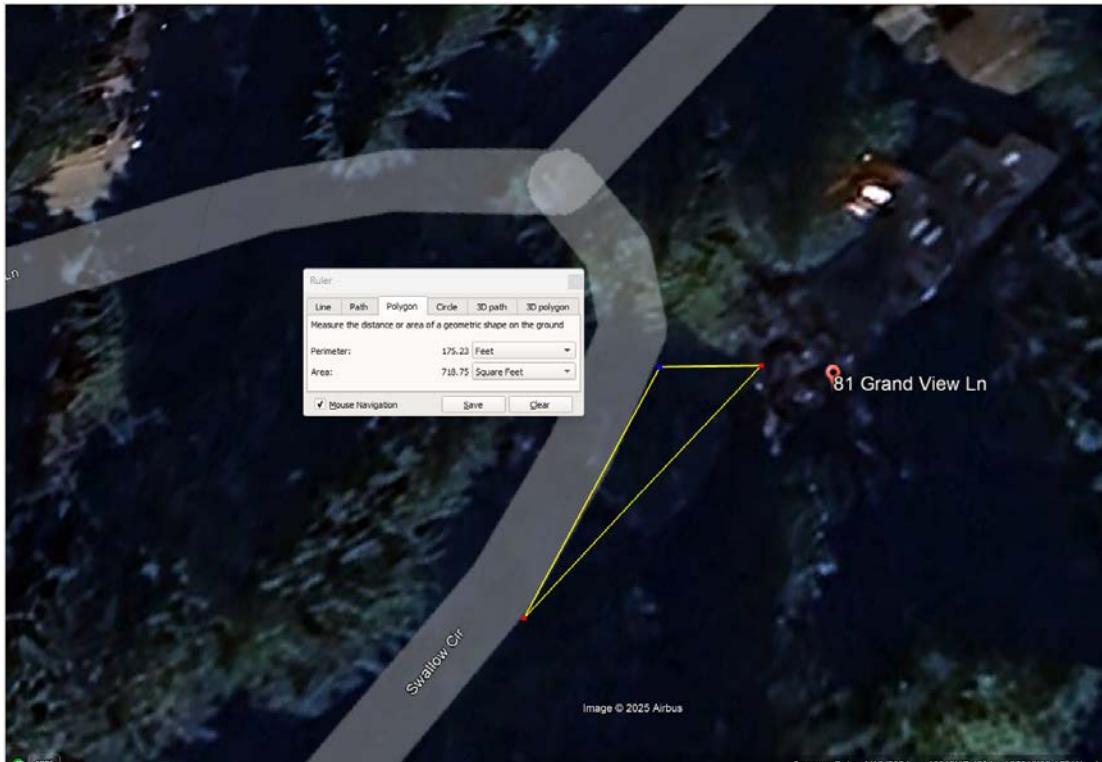
Background

Parcel 33770 is a small, SVCA-owned, triangle-shaped lot adjoining 81 Grand View Lane. The owner, Ian Graham, originally sought to purchase the parcel; however, due to the 2022 Bylaws amendment (Art. III, Sec. 25), the parcel cannot be sold without a membership vote. To avoid the time and complexity of a full membership vote for such a small parcel, the Board may consider granting an easement instead.





Sudden Valley Community Association
360-734-6430
4 Clubhouse Circle Bellingham, WA 98229
www.suddenvalley.com



Analysis

Proposal

Mr. Graham would be granted a limited, non-exclusive easement allowing him to:

- Maintain vegetation (including hazard tree mitigation).
- Implement stormwater flow improvements that mitigate erosion risk to his and adjacent properties.
- Assume maintenance responsibilities for any improvements or access paths installed.
- All legal and recording costs would be borne by Mr. Graham. The easement agreement would be drafted by SVCA legal counsel and reviewed by staff prior to execution.

Community Impact & Benefits

- No transfer of title or ownership—SVCA retains the parcel.
- Reduces SVCA risk exposure and maintenance costs.
- Supports stormwater management in a sensitive hillside area, benefiting downstream properties and roads.

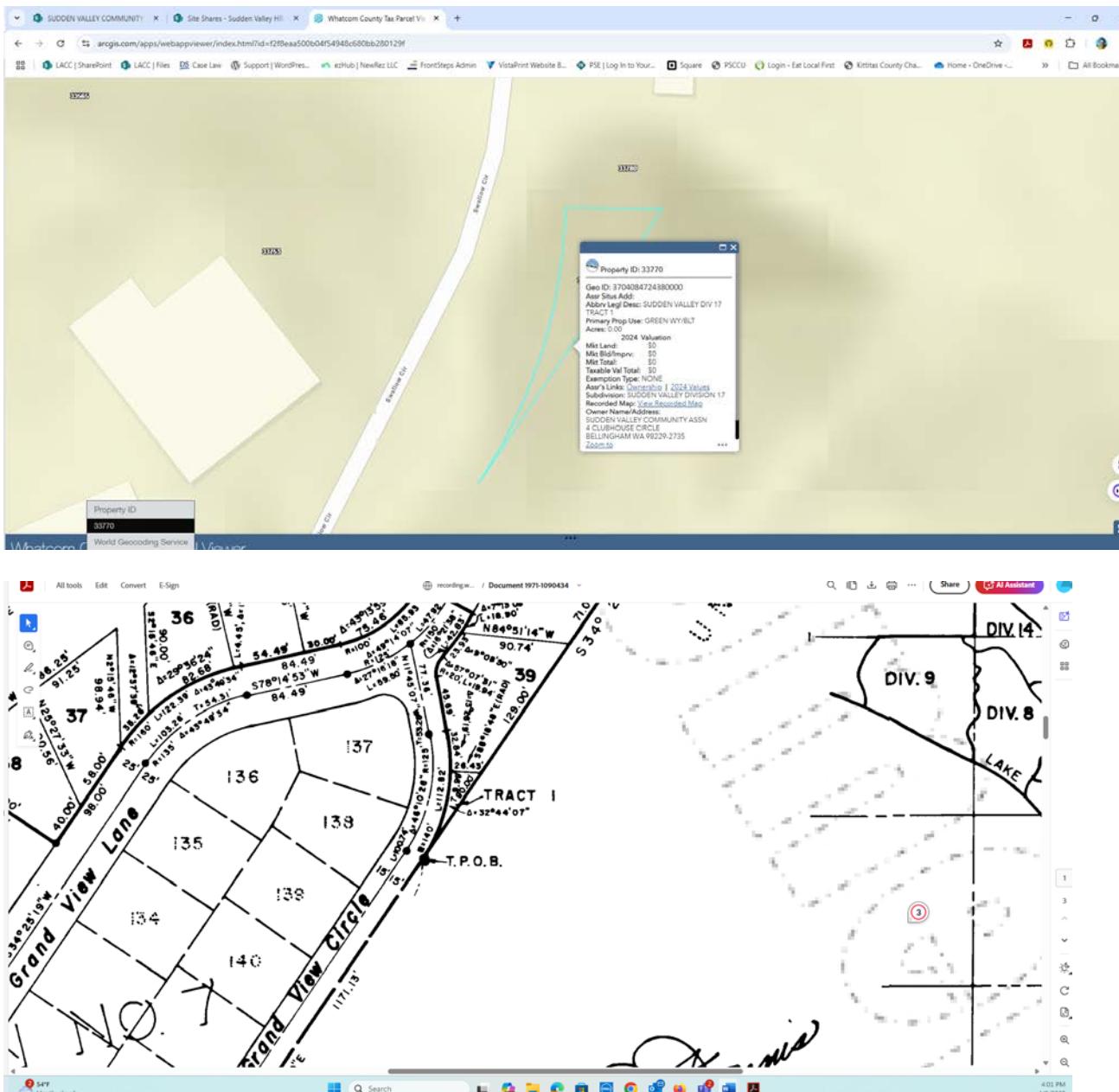


Sudden Valley Community Association

360-734-6430

4 Clubhouse Circle Bellingham, WA 98229

www.suddenvalley.com



Request

Request that the Board of Directors approve negotiation and drafting of an easement agreement for Parcel 33770, with all legal costs borne by Mr. Graham and no reduction of SVCA's legal interests or land use rights.

Motion

Move to authorize SVCA staff and legal counsel to negotiate and execute an easement agreement granting limited use of Parcel 33770 (Tract 1) to Ian Graham of 81 Grand View Lane, subject to the terms outlined above and with all associated costs paid by the applicant.



Sudden Valley Community Association

360-734-6430

4 Clubhouse Circle Bellingham, WA 98229

www.suddenvalley.com

Approval

Approved: _____

Not Approved: _____

SVCA Board of Directors

Signed: _____

Date: _____

Keith McLean, SVCA Board President

Name of Contract	Renew in 2026	Description	Responsible Person	Department Ownership	Type	Vendor contact	Action Needed	Contract Term	Initiation	Initial Expiration	Auto Renewal Expiration	Annual Expense	Average Cost per month	Status	
Infinisource (Polestar Benefits)		Cafeteria Plan & COBRA Administration	GM/Admin	OPS	Benefits			Perpetual	12/11/2015	Perpetual		360	30		
Lynden Tribune		VIEWS Editing & Printing	GM/Admin	Administration	Administrative				4/25/2008	4/30/2020		50,000	4,167		
Brivo (software-access cards)				Administration											
CSD (legal)		Legal Services	GM	Administration	Legal Services			As needed, no contract		Perpetual	Perpetual		50,000	4,167	n/a
Guardian Security				Administration											
Insurance Policies -Hub	Yes	Inland Marine	GM/Admin	Administration	Insurance			Annual	6/1/2025	5/31/2026		18,547	1,546	scanned	
Insurance Policies -Hub	Yes	Gen'l liab	GM/Admin	Administration	Insurance			Annual	6/1/2024	5/31/2026		97,402	8,117	scanned	
Insurance Policies -Hub	Yes	Comm Auto	GM/Admin	Administration	Insurance			Annual	6/1/2025	5/31/2026		34,406	2,867	scanned	
Insurance Policies -Hub	Yes	Umbrella	GM/Admin	Administration	Insurance			Annual	6/1/2024	5/31/2026		64,472	5,373	scanned	
Insurance Policies -Hub		D&O	GM/Admin	Administration	Insurance			Annual	7/30/2024	7/31/2025		7,756	646		
Insurance Policies -Hub	Yes	Cyber	GM/Admin	Administration	Insurance			Annual	6/1/2024	5/31/2026		4,195	350	scanned	
Insurance Policies-Wa Dept of Ecology	Yes	Dam Fee- Lake Louise Dam		Accounting	Insurance			Annual	7/1/2025	6/30/2026		881	73	scanned	
Isolved-HKP	Yes	Payroll Svc		Administration				Perpetual			must give 30 day notice		7,200	600	scanned
Larson Gross - IT		IT Service Contract	Administration	Administration	Administrative			Perpetual with 60 day notice to terminate Base \$1650 + hourly rate for support	5/23/2025	Perpetual		19,800	1,650		
Neopost- see Quadiant below		Postage Meter Rental	GM/Admin	OPS	Administrative			63 months	11/22/2016	2/22/2022		900	75		
One Digital (HR Services)	Yes	Human Resource Services	GM/Admin	Administration	Administrative				5/23/2025	12/31/2025		40,500	3,375	scanned	
Operating Lease- Pacific Office Automation	Yes	Copier & supplies		Administration	Equipment			5 years	12/31/2023	12/1/2028		1,251	104	scanned	
Operating Lease- Pacific Office Automation	Yes	Copier & supplies		Administration	Equipment			5 years	7/30/2024	7/2/2029		5,544	462	scanned	
Pacific Security		Security Guard Services	GM/Admin	SEC	Personnel	Mark Lann 360-733-2884 mark@lpacsecurity.com		Annual with 30 day notice to terminate	1/1/2018	12/31/2018	12/31/2019	185,618	15,468	scanned	
Sanitary Service Company				Utilities		Recycling for 2019									
Saturna		401k plan administrators	GM/Admin	Administration	Administrative	Sean Jamison							2,760	230	
Unilect (elections)	Yes			Administration					12/31/2014	1/31/2019	12/31/2025	23,906	1,992	scanned	
Crystal Springs		Water		Administration	Administrative										
Jerome Gangle		ACC Inspector Services	GM/Admin	Administration	Administrative			3 years	5/30/2025		5/31/2028	102,000		scanned	
PNW	Yes	Construction Administration	GM/Mike B	Administration	Construction			perpetual	6/10/2019						scanned
DAF services		Pump station monitoring #14	Greg W	TURF	software		Auto renew w/out 30 notice of termination						580		
Watervision 2.0		Pump station monitoring #17	Greg W	TURF	software				5/23/2024	5 yr subscription		720			
Toro NSN		Software	Greg W	TURF	Equipment		software agreement	perpetual	8/16/2022		perpetual		2,167		scanned
ATG & Town Square		C3 Accounting Software Contract	Joel	Finance	Administrative			Perpetual with 30 day notice to terminate	2/8/2019		Perpetual	9,600	800	scanned	
Comcast		Cable/ Phone	By Dept	By Dept	Communication										
Comcast Business		Business Trunk Service	By Dept	By Dept	Communication										
Dept of Natural Resources		Aquatic Land Lease #20-A09745	Joel	Finance	Infrastructure			Perpetual - 12 yr term	11/1/2012	1/31/2026		2,117	176		
Larson Gross - Accounting	Yes	Audit & Tax Services	Joel	Finance	Finance			2025 cocontract for 2024 Audit	1/1/2020	12/31/2022	12/31/2025	37,500	3,125	scanned	
Merchants Credit Association		Collections Activity	Joel	Finance	Administrative			Perpetual with 90 day notice to terminate	1/4/2019	Perpetual		-	-		
Money Soft	Yes	Fixed Asset Pro Annual Fee	Joel	Finance	Administrative			No contract, annual renewal fee	12/2/2016	Perpetual		299	25		
Smart Properties	Yes	Reserve Study	Joel	Finance	Finance			Engagement Letter Signed Annually	1/1/2016 NA		12/31/2025	9,970	831	scanned	
Operating Lease Quadiant Lease	Yes	Equip/postage	Joel	Finance	Equipment/postage			63 mo contract	6/30/2021	6/30/2021	8/30/2026	1,052	88	scanned	
Barron Heating & Air Conditioning, Inc		Heating & AC: Library	Mike B	FAC	Infrastructure			Annual - with auto renewal for 1 yr on anniversary date	9/30/2016	9/30/2018	9/30/2019	240	#REF!		
Barron Heating & Air Conditioning, Inc		Heating & AC: Clubhouse	Mike B	FAC	Infrastructure			Annual - with auto renewal for 1 yr on anniversary date	9/30/2016	9/30/2018	9/30/2019	2,365	#REF!		
Barron Heating & Air Conditioning, Inc		Heating & AC: Dance Barn	Mike B	FAC	Infrastructure			Annual - with auto renewal for 1 yr on anniversary date	9/30/2016	9/30/2018	9/30/2019	1,668	350		
Barron Heating & Air Conditioning, Inc		Heating & AC: Golf Maint	Mike B	FAC	Infrastructure			Annual - with auto renewal for 1 yr on anniversary date	9/30/2016		9/30/2019	144	600		
Barron Heating & Air Conditioning, Inc		Heating & AC: Welcome Center	Mike B	FAC	Infrastructure			annual							
Barron Heating & Air Conditioning, Inc		Heating & AC: Maint	Mike B	FAC	Infrastructure			Annual - with auto renewal for 1 yr on anniversary date	9/30/2016	9/30/2018	9/30/2019	128	11		
Cesco	x	Pool Maint	Mike B	Recreation	Infrastructure	Dennis.Stahl@cescosolutions.com		Renew Annually	7/15/2018	9/16/2018	6/3/2026	121,524	10,127	active	
Northwest Propane		Rental of 500 gal propane tank @ Area Z	Mike B	FAC	Equipment			Perpetual no contract		Perpetual	Perpetual	60	5		
Security Solutions		Alarm Monitoring & Backflow	Mike B	FAC	Equipment			initial 36 month with 30 days notice, then autorenewal with 60 days notice SEE FEE							
Bio Bug		Rodents, pests all facilities	Mike B	FAC	Infrastructure			SCHEDULE	6/17/2016	12/31/2019		10,128	844		
Nick's Nice & Neat Windows		Gutter Cleaning	Mike B	Fac				initial 1 year with 30 day notice to terminate	10/6/2015	10/5/2016	Perpetual	7,800	650		
Golf Genius		Website Hosting, 3 Business sites	Kevin Le Duc	GOLF	Golf			11/8/2024	11/8/2025		7,280				
Club Prophet Systems		Tournament Management Software	Kevin Le Duc	Golf											
Gallus Golf		Golf Management Software	Kevin Le Duc	Golf											
PriSwing		Mobile App Hosting	Kevin Le Duc	Golf				Perpetual,30 days notice				3,540	295	scanned	
		Dynamic Pricing Host	Kevin Le Duc	Golf								3,588	299	scanned	

	Name of Contract	Renew in 2026	Description	Responsible Person	Department Ownership	Type	Vendor contact	Action Needed	Contract Term	Initiation	Initial Expiration	Auto Renewal Expiration	Annual Expense	Average Cost per month	Status
64	Adobe			GM/Admin	OPS	Administrative			Subscription Service						
65	Colonial Life		Elective benefits	GM/Admin	Administration	Benefits					11/30/2019				
66	Health Promotion Northwest		Employee Assistance Program	GM/Admin	OPS	Benefits			Annually renews for 1 year, with 30 day notice to terminate	1/1/2016	12/31/2016	12/31/2019	1,080	90	
67	Heston Towing		Towing/Impound Service	GM/Admin	SEC	Towing			Perpetual until written notice to terminate	4/12/2018	Perpetual				-
68	HostGator		Website Hosting, 3 Business sites	GM/Admin	OPS	Administrative			Perpetual, Cancellation form required	10/18/2016	Perpetual		335	28	
69	IPS		Point of Sale Software	Kevin Le Duc	GOLF	POS			Perpetual, no contract						-
70	Maintenance Connection		Maintenance Software	Mike B	FAC	Equipment			30 days notice, auto 1 year renewals, includes Software and support services, and upgrades, offsite hosting	5/23/2017	5/22/2018	Perpetual	8,040	670	
71	Mettlife		Vision Insurance	GM/Admin	Administration	Benefits					11/30/2019		7,200	600	
72	Microsoft		Office Software Subscription	GM/Admin	OPS	Administrative			Subscription Service				5,200	-	
73	Microsoft		Board Software Subscription	GM/Admin	OPS	Administrative			Subscription Service				1,320	#REF!	
74	Northwest Ecological		Monitoring Services for Mitigation Funds	GM/Admin	SEC	Administrative			2016 Culverts/ Louise Creek Culvert/ 2018 Culvert repairs	9/6/2018	1/1/2023		1,625	135	
75	Guardian Security		Sprinkler / Backflow / Alarm Test/ Keys	GM/Admin	SEC	Equipment			Initial 1 year term, 30 days notice to terminate. SEE FEE SCHEDULE	1/19/2015	1/18/2016	Perpetual	1,512	126	
76	Thyssenkrupp Elevator Corp		Elevator Maintenance Support	Mike B	FAC	Infrastructure			10 year non-negotiable	5/31/2013	5/31/2023		1,210	101	
77	uAccept		Point of Sale Software	GM/Admin	OPS	POS							527	44	

Name of Contract	Renew in 2026	Description	Responsible Person	Department Ownership	GL Used	Type	Contract Term	Initiation	Initial Expiration	Auto Renewal Expiration	Payment Terms	Payment Method	Annual Revenue	Utilities Share	Annual Expense	Average Cost per month	Status
Christ the King		Barn Lease	GM	Recreation	4435	Leased Property	Auto renewal for 1 yr	1/1/2018	12/31/2022	Monthly	Check	\$7,800.00					Lease Info
El Agave		Clubhouse Restaurant Lease	GM	MAINT	4430	Leased Property	Base Rent Adjusts Annual October 1 Five years and (1) 5 year renewal term	9/1/2018	9/30/2023	Monthly	Check	\$27,948.00	50% of clubhouse				Lease Info
Whatcom County Library		Library Lease	GM	MAINT	4439	Leased Property		1/1/2017	12/31/2020	Monthly	Check	\$3,372.00	78% Adult Center excluding Pool				Lease Info
Whatcom Disc Golf Club	YES	Campground Disc Golf Course - Club to develop, maintain, & operate an 18 hole disc golf course	GM	n/a	n/a	Leased Property	1 year, automatic 1 year renewal, 45 days notice to terminate	6/7/2018	6/7/2019					\$0.00	\$0.00		Lease Info
Daniel Herrera		Fitness Center	Rec Manager	Recreation		Space Lease				Monthly		check					
Ariel Szigelski		Fitness Center	Rec Manager	Recreation		Space Lease				Monthly							
Whatcom Disc Golf Club	YES	Campground Disc Golf Course - Club to develop, maintain, & operate an 18 hole disc golf course	GM	n/a	n/a	Leased Property	1 year, automatic 1 year renewal, 45 days notice to terminate	6/7/2018	6/7/2019					\$0.00	\$0.00		Lease Info
Sudden Valley Community Garden Club		license to use garden plots at community gardens	GM	n/a	n/a	Leased Property	5 years with 30 days notice	3/1/2017	2/28/2022					\$0.00	\$0.00		Lease Info



Sudden Valley Community Association

360-734-6430

4 Clubhouse Circle Bellingham, WA 98229

www.suddenvalley.com

CAPITAL REQUEST MEMO

To: Sudden Valley Community Association Board of Directors
From: Greg Wadden, Turfcare Superintendent
Date: June 26, 2025
Subject: Capital Request – 2025 Asphalt Improvements to Golf Course

Purpose

This memorandum requests funding for necessary asphalt repairs to damaged cart paths throughout the Sudden Valley Golf Course, and for paving the gravel apron surrounding the Turfcare maintenance facility. These improvements are intended to enhance safety, improve operational efficiency, and reduce erosion and dust intrusion into sensitive maintenance areas.

Background

The cart path system has deteriorated over time due to age, tree root intrusion, and weather-induced wear, leading to hazardous conditions for golf carts and pedestrians. This work represents Phase 2 of a 3-phase project outlined in the SVCA 10-Year CRRRF Plan for Golf Course Cart Path Rehabilitation.

In addition to the cart paths, the unpaved apron adjacent to the Turfcare facility is contributing to equipment wear and increased dust contamination in the maintenance building. Paving this area will mitigate both issues.

Construction is planned for Summer 2025, weather permitting.

Analysis

This scope of work will include:

- Asphalt restoration of approximately 6,000 SF of cart paths.
- Asphalt restoration of the Turf Care apron for approximately 2,000 SF.
- Coordination of permit application with Whatcom County for a Notice of Activity (NOA) permit.
- Traffic and pedestrian safety measures during construction.

Funding Plan and Budget Explanation

The original 2025 CRRRF budget allocated \$54,080.00 for Golf Course Asphalt Improvements. In February 2025, the Board reallocated \$18,144.00 from this budget line to cover an equipment replacement cost overrun (Top Dresser machine), reducing the available balance to \$35,936.00.

To fully fund the current capital request, staff recommends reassigning \$18,144.00 in unspent CRRRF funds from the Turfcare Building Remodel project. On May 22, 2025, the Board approved \$116,785.00 for that remodel from a total CRRRF allocation of \$141,994.00, leaving \$25,209.00 in unused, unrestricted funds.

Reallocating a portion of these remaining funds will fully cover this asphalt improvement request without exceeding the total CRRRF budget for 2025.



Sudden Valley Community Association

360-734-6430

4 Clubhouse Circle Bellingham, WA 98229

www.suddenvalley.com

Bids and Project Budget

Three quotes were received per the attached bid tabulation, and Asphalt NW is the low bidder. The bid tabulation uses the square footage calculation from Turf Care for comparison and ignores the separate quantities listed on each quote. Overall budget for this project:

- \$3,000.00 Permit Allowance – Notice of Activity Permit with Whatcom County – Complete application and permit fee.
- \$49,556.22 – Construction estimate with WSST per attached bid tabulation.
- \$0.00 – Oversight by the Turfcare Superintendent under the operations budget.
- \$52,556.22 – Subtotal
- \$1,523.78 – Contingency
- **\$54,080.00 – Total Project Budget**

Proposal

Authorize \$54,080.00 from CRRRF for asphalt improvement to the golf course, and authorize contract award to Asphalt NW.

Request 1

Approve total project funding of \$54,080.00 from CRRRF, including reallocation of \$18,144.00 from the unspent balance of the Turfcare Building Remodel budget.

Request 2

Request approval for the general manager to execute a contract with Asphalt NW utilizing SVCA's standard construction contract.

Motion 1

Move that the SVCA Board of Directors approve the allocation of \$54,080.00 from the CRRRF to fund asphalt improvements to the golf course cart paths and Turfcare apron, including the reallocation of \$18,144.00 from unspent funds in the Turfcare Building Remodel budget.

Motion 2

Move that the SVCA Board of Directors authorize the general manager to execute a contract with Asphalt NW utilizing SVCA's standard construction contract.

Board of Directors Approval

Approved: _____ Not Approved: _____ Board of Directors

Signed: _____ Date: _____
Keith McLean, SVCA Board President

Bid Tabulation

Project: 2025 Asphalt Improvements to Golf Course

Item #	Description	Quantity	Unit	Asphalt NW		Lakeside Industries		WRS	
				Unit Price	Total	Unit Price	Total	Unit Price	Total
1	Cart Path Resurfacing	6000	SF	\$ 6.55	\$ 39,300.00	\$ 5.60	\$ 33,600.00	\$ 6.07	\$ 36,420.00
2	Turf Care Apron Resurfacing	2200	SF	\$ 2.84	\$ 6,248.00	\$ 6.25	\$ 13,750.00	\$ 6.07	\$ 13,354.00
Subtotal				\$ 45,548.00		\$ 47,350.00		\$ 49,774.00	
WSST @ 8.8%				\$ 4,008.22		\$ 4,166.80		\$ 4,380.11	
Total w/ WSST				\$ 49,556.22		\$ 51,516.80		\$ 54,154.11	



PROPOSAL / CONTRACT AGREEMENT

CONTRACTING PARTY:

6/9/2025

Sudden Valley Golf Course
4 Clubhouse Circle
Bellingham, WA 98229
360-746-8400/greg.wadden@suddenvalley.com

PROJECT NAME & LOCATION		SALESPERSON		PAYMENT TERMS
Cart Paths			Loren Vander Yacht	Net 10
APPROXIMATE QUANTITY	UNIT OF MEASURE	DESCRIPTION	UNIT PRICE	TOTAL PRICE
5,816	Sq Ft	Areas marked in white paint-		
		Grind potholed/broken areas and patch with 2" asphalt.	\$6.55	
		Overlay areas with 2" asphalt.		\$38,112.00
1,634	Sq Ft	Area at maintenance shop-		
		Fine grade and pave with 2" asphalt.	\$2.84	\$4,638.00
SUBTOTAL				
APPROXIMATE TOTAL				
PLUS SALES TAX WHERE APPLICABLE				
Total price to be based on actual quantity or measurement unless otherwise specified				\$42,750.00

Exclusions include: curbing, utility patching, utility adjustments, testing, striping, engineering

Notes:

Asphalt Northwest, LLC proposed prices herein assume that Asphalt Northwest, LLC work hereunder will be completed on a mutually agreed date. Unless contracting party has signed and returned this agreement within thirty (30) calendar days of the date first stated above, this proposal shall be null and void. This proposal is subject to the attached General Conditions.

Contracting party's signature on one copy returned to Asphalt Northwest, LLC will render this a legal contract for the performance of the above work. Contracting party's signature also acknowledges receipt of Asphalt Northwest, LLC's Notice to Customer statement attached hereto.

Approved by Contracting Party

Asphalt Northwest, LLC

Signature:

Date :

Signature: John Vander Yacht

ASPHALT NORTHWEST, LLC | 6873 GUIDE MERIDIAN LYNDEN, WA 98264
EMAIL: LOREN@ASPHALTNORTHWEST.COM | CELL: 360-510-5141
LICENSE #ASPHANL773JP



Bellingham Division
lakesideindustries.com
703 East Laurel Rd / Bellingham, WA 98226
ph: 360.398.1427 / fax: 360.398.8361
Washington Contractor License No. LAKESI#274JD
Oregon Contactor License No. CCB 108542
Equal Opportunity Employer

PROPOSAL CONTRACT AGREEMENT

To: Sudden Valley Golf Course	Contact: Greg Wadden
Address: 4 Clubhouse Circle Bellingham, WA 98229	Phone:
Project Name: Sudden Valley Cart Path	Bid Number: 0525KMA028
Project Location: 4 Clubhouse Cir, Bellingham, WA	Bid Date: 4/11/2025
Attachments: Lakeside Contract Provisions revised 09.02.2020.pdf	

Cart Path work includes removing 2" of existing asphalt, touch up grading, and placing 2" of asphalt.

Shop Apron includes touch up grading existing rock, and placing 2.5" of asphalt.

All work to be paid by actual qty's installed.

Item #	Item Description	Estimated Quantity	Unit	Unit Price	Total Price
1	Cart Patch Asphalt Repairs - 2" Depth	5,416.00	SF	\$5.60	\$30,329.60
2	Shop Apron Grade & Pave 2.5" Depth	1,760.00	SF	\$6.25	\$11,000.00

Total Bid Price: **\$41,329.60**

Notes:

- Force Majeure. In the event Lakeside Industries is unable to perform its obligations under the terms of this agreement due to acts of God, strikes, or any other causes reasonably beyond its control, Lakeside Industries shall not be liable for any damages resulting from such failure to perform or otherwise from such causes.
- Price Based on 1 Mobilization. Additional Mobilizations are \$6,500.00 Each.
- Price includes placement of asphalt only, all other items of work not specifically included are excluded.
- Price Excludes: Layout, Survey, or Engineering; Utility Location and/or Adjustment; Utility Patching; Traffic Control; Premium Pay for Night or Weekend Work; Herbicide; Prime Coat; Rock or Grading; Insurance Premium over Standard Insurance; Base Repair; Grinding; MTV/MTD; Cleaning Between Lifts; Tax; Permits; Bond; Testing; Sawcutting; Curbing; Concrete Protection; Crack Sealing; Seal Coat; Striping.
- Subgrades must be firm and unyielding.
- Total price to be based on actual quantity or measurement unless otherwise specified.
- Temperatures and weather on the scheduled paving day must be sufficient to allow for a minimum of 8 hours of in spec paving
- Prices are based on all paving to be completed prior to the installation of an obstructions in paving areas (overhead canopies, covers, gates, gate accessories, fences, bollards).
- Per WSDOT Standard Spec 5-04.3(13): Asphalt to be installed prior to utilities adjusted to final grade. For asphalt patching of utilities after adjustment by others, pricing will be \$300/each. Minimum Callout for Patching Utilities will be \$2,500.
- Bid based on approved contract; This proposal to be a part of all contract documents.
- Price based on current petroleum cost. Price escalation to be linked to the WSDOT asphalt binder index.
- Lakeside Industries Inc. proposed prices herein assume that Lakeside Industries Inc's work hereunder will be substantially complete on or before: October 1, 2025.
- Unless Contracting Party has signed and returned this Agreement with in thirty (30) days of the date first stated above, Lakeside Industries, Inc. proposal shall be null and void
- Performance Bond not included in bid price. If required please add 1% to total cost of bid.
- Credit card payments will be subject to an additional 2% fee.
- Credit card payments will be subject to an additional 2% fee.
- CONTRACTING PARTY'S SIGNATURE ON ONE COPY RETURNED TO LAKESIDE INDUSTRIES INC. WILL RENDER THIS A LEGAL CONTRACT FOR THE PERFORMANCE OF THE ABOVE WORK. CONTRACTING PARTY'S SIGNATURE ALSO ACKNOWLEDGES RECEIPT OF LAKESIDE INDUSTRIES INC. NOTICE TO CUSTOMER' STATEMENT ATTACHED HERETO.
- Any third party billing software required will be fully reimbursed.



2380 Grandview Rd. | Ferndale, WA 98248
Office: (360)366-3303 | Cell: (360)220-5164 | Fax: (360)366-3304
LICENSE #WESTERS101JS

PROPOSAL/CONTRACT AGREEMENT WASHINGTON

April 22, 2025

Contracting Party:

Sudden Valley Golf Course	Asphalt cart path repairs
4 Clubhouse circle	4 Clubhouse circle
Bellingham , WA	Bellingham , WA
Phone: 360-296-6497	Email: greg.wadden@suddenvalley.com

Location & Project Name:

APPROXIMATE QUANTITY	UNIT OF MEASURE	DESCRIPTION	UNIT PRICE	TOTAL PRICE
		Asphalt Paving – Multiple Locations (3 staging areas)		
6,100	Sq ft	1) Sawcut and remove end joints on areas painted out		
		2) Clean debris and prep for Asphalt		
		3) Pave Asphalt Overlay @ 2 " inches compacted		
		4) Seal Joints		
		Maintenance shop		
2,000	Sq ft	- Grade and compact material onsite		
		- Pave Asphalt @ 2 ½ inches compacted		
		Estimate	\$6.07	\$49,194.00
		Tax 8.9 %		\$4,806.00
		Total:		\$54,000.00
		• WRS will provide traffic control to help with pedestrians		

APPROXIMATE TOTAL:



A 2.5% convenience fee will apply
on all credit card payments

(Plus sales tax where applicable)

Total price to be based on actual quantity or measurement unless otherwise specified.

Exclusions Include: Curbing, utility patching, utility adjustments, testing, saw cutting, striping, and engineering.

Notes:

WRS' proposed prices herein assume that WRS' work hereunder will be complete on or before:
Unless Contracting Party has signed and returned this agreement within thirty (30) calendar days of the date first stated above, WRS' proposal shall be null and void. This proposal is subject to the General Conditions on Page 2.

CONSTRUCTION CONTRACT

This Construction Contract, including all appendices, (the "Contract") is made and entered into by and between Owner and Contractor on the date of the last signature below for the construction of the project described below.

OWNER

Owner's Name	Sudden Valley Community Association
Address	ATTN: General Manager 4 Clubhouse Circle Bellingham, WA 98229
Telephone Number	(360) 734-6490

CONTRACTOR

Contractor's Name	
Address	
Telephone Number	
Contractor's Authorized Representative	
Federal Identification Number	
Registration Number	
Washington UBI Number	

For and in consideration of the Contract Price noted below, subject to the terms and conditions contained herein, Contractor agrees to perform the following work (the "Work") in a timely and workmanlike manner, including supplying all necessary supervision, materials, equipment, supplies, and skilled and sufficient workforce to fully, completely, and faithfully comply with all the terms and conditions of this Contract.

1. PROJECT. The Project is described as follows:

Project Name: _____

Project Location: _____

2. WORK. The Contractor agrees to perform the following Work in accordance with all applicable laws, codes, and industry standards to construct the Project as follows:

(Insert and list above a precise description of the Work covered by this Subcontract, referring to the numbers of drawings and pages and/or sections of specifications including any applicable addenda and/or alternates, etc.)

3. CONTRACT DOCUMENTS. In addition to this Contract and the enclosed Standard Contract General Conditions, the Contract Documents for this Contract consist of:

Description of Document	Date

Any conflicting provisions in the Construction Documents shall be interpreted harmoniously if possible or, in the event they cannot be reconciled, then they shall be interpreted in the manner most favorable to the Owner, and the interpretation shall be governed in the following priority:

- i. This Contract;
- ii. Any drawings and/or specifications provided by the Owner;
- iii. Any Change Orders executed by and between the Owner and Contractor after execution of this Contract; and
- iv. The Contractor's Proposal.

4. CONTRACT PRICE. The Owner shall pay the Contractor \$_____, plus Washington State sales tax, for all Work completed in conformance with this Contract and the Construction Documents.

5. TIME OF PERFORMANCE. The Contractor shall commence construction no later than _____ (the "Commencement Date"), and Contractor shall complete all Work within _____ days of the Commencement Date (the "Contract Time"). The parties agree that time is of the essence of this Contract and the Owner will suffer damage and be put to additional expenses in the event that the Contractor does not have the Work substantially complete by the end of the Contract Time.

(CHECK IF APPLICABLE) Because it is difficult to accurately compute the amount of such costs and damages, the Contractor hereby covenants and agrees to pay to the Owner liquidated damages of \$____ per day for each day that expires after the time set forth above, which the Contractor and Owner agree reasonably approximates Owner's actual damages.

6. INSURANCE. Contractor shall purchase and maintain insurance in the following amounts on a per occurrence and aggregate basis naming the Owner as an additional insured by endorsement. All such insurance shall be primary to any coverage carried by Owner. Contractor shall provide Owner evidence of such coverage prior to commencing the Work.

	Per Occurrence Coverage	Aggregate Coverage
General Commercial Liability	\$1,000,000	\$2,000,000
Automobile Liability	\$250,000 or such higher amount as Contractor currently carries	NA

7. GENERAL CONDITIONS. The Standard Contract General Conditions (the "General Conditions") are attached hereto and incorporated herein by this reference.

8. REPRESENTATIONS. The Owner and the Contractor represent and warrant that the following statements are true and accurate:

THIS CONTRACT CONTAINS AN INDEMNIFICATION OF CERTAIN LIABILITIES AND A WAIVER OF CONTRACTOR'S TITLE 51 RCW IMMUNITY.

IN WITNESS WHEREOF, Owner and Contractor have executed this Contract, effective the date of the last authorized signature below.

OWNER:

SUDDEN VALLEY COMMUNITY
ASSOCIATION

CONTRACTOR:

By: _____
Its: _____
Date: _____

Date: _____

STANDARD CONTRACT GENERAL CONDITIONS

A. Subcontractors and Lien Releases. Contractor shall, upon request of Owner, provide a list of all subcontractors and suppliers of Contractor. Owner may request partial lien releases for all partial payments and a final lien release for the final payment to each subcontractor.

B. Scheduling. Owner shall give Contractor advance notice of anticipated starting date for Contract Work. Contractor shall start Work on the date agreed to by Owner and Contractor and shall complete the several portions and the whole of the Work herein described at such times as reasonably specified by the Owner in order to allow Owner to timely complete the Project. Contractor shall cooperate with Owner and other contractors hired by Owner to coordinate Work with other Contractors.

C. Payment. Contractor shall receive progress payments on a monthly basis for Work approved by Owner and all materials to be used on the Project which have been stored on site by Contractor. Contractor shall make applications for payment on a monthly basis by submitting a bill by the _____ day of the month (the fifth (5th) day of the month if not so stated).

Applications for payment submitted by the Contractor shall indicate the percentage of completion of each portion of the Contractor's Work as of the end of the period covered by the application for payment. Contractor shall be paid for Work completed to date from Owner's last progress billing date. Owner shall withhold 5% retention from each progress payment.

Retainage shall be paid within _____ days after the latest of the following: (i) Owner's approval of completion of the Work, (ii) close out of all paperwork required herein and (iii) receipt of required lien releases.

The Owner shall pay the approved amounts within _____ days (thirty (30) days if not so stated) of the date on which the application for payment is received.

Final payment for Work under this Contract shall be made within _____ days (thirty (30) days if not so stated) after Owner has approved the completion of the Work and Contractor has fulfilled each of its obligations under this Contract. As a prerequisite for any payment, Contractor shall provide, in a form satisfactory to Owner, partial lien releases, claim waivers and affidavits of payment from Contractor and its lower-tier subcontractors and suppliers of any tier, for the completed portions of Contractor's Work. Before issuance of the final payment, the Contractor shall submit evidence satisfactory to Owner that all payrolls, bills for materials and equipment, and all known indebtedness connected with the Contractor's Work have been satisfied.

Contractor shall provide Owner with a signed lien release before receiving final payment.

Contractor shall be entitled to payment by Owner of all undisputed amounts. In the event that the Owner disputes an amount, the Owner may withhold fifty percent (50%) of the disputed amount. Owner shall provide a written explanation of the reason for the dispute with the payment.

Owner shall be entitled, but not required, to issue two-party checks in the name of the Contractor and any of Contractor's subcontractors or suppliers, union(s) for which Contractor's employees are members, any union trust fund, medical fund or pension fund for which Contractor's employees are members.

Contractor may invoice for materials delivered to the jobsite and receive payment as outlined above. Materials delivered to the site, and not installed, shall be paid at invoice cost.

Contractor shall pay its own subcontractors and suppliers all sums owed them within ten (10)

days of receipt of payment from or on behalf of Owner. Contractor agrees that no assignment of any payment otherwise due under this Contract shall be effective without first securing the express approval of any assignee to the limitations contained in this subsection.

D. Change Orders. Owner may, without invalidating this Contract, order in writing extra Work or make changes by altering, adding to, or deducting from the Work and the Contract price and time shall be adjusted accordingly. All such Work shall be executed under the conditions hereof. All Change Orders shall be in writing and signed by the Owner and Contractor. The Owner shall not be liable for any additional Work performed by Contractor unless such additional Work has been incorporated into a Change Order. **NO ORAL INSTRUCTIONS AUTHORIZING A CHANGE IN THE WORK, ADJUSTMENT IN THE CONTRACT SUM, MAXIMUM CONTRACT SUM, OR ADJUSTMENT IN THE CONTRACT TIME SHALL BE VALID OR BINDING ON THE OWNER.**

If additional Work has been fully accepted by Owner, payment shall be made to Contractor with the next regular payment as provided herein. Contractor acknowledges that, unless expressly stated otherwise within a written Change Order, any change in the Contract Price and Time effected through a written Change Order shall constitute full and final payment and accord and satisfaction for any and all cost incurred (including, but not limited to, home office and field overhead and profit), labor performed, material and equipment furnished, and any delay, acceleration, or loss of efficiency associated with or arising out of the change in the Work.

E. Nature of Work. Contractor has conducted a full examination of all relevant plans and specifications and is not aware of any defects or mistakes in the applicable plans and specifications that would make the Work not buildable according to the applicable plans and specifications, for the Contract Price provided herein and in the time provided for herein. Contractor has satisfied itself as to the nature and location of the Work, the character, kind and quantity of material to be encountered, the character, kind and quantity of equipment needed, the location, conditions and other matters which can in any manner affect the Work under this Contract agreement and acknowledges that Contractor has had a reasonable opportunity to examine the site.

F. Contractor Employer. Contractor has the status of "employer" as defined by the Industrial Insurance, Workers' Compensation, Unemployment Compensation, Social Security, and other similar acts of the federal, state, and local government. Contractor shall withhold from its payroll applicable Social Security taxes, Workers' Compensation and Unemployment Compensation contributions and any other lawfully required withholding and pay the same; Owner shall be in no way liable as an employer of, or on account of, any employees of Contractor.

G. Permits & Taxes. Contractor shall obtain and pay for all permits, fees, and licenses necessary for the performance of this Contract and shall pay any and all federal, state, and local taxes, applicable to the Work to be performed under this Contract. Contractor shall also be responsible for payment of state sales/use taxes applicable to the Work of Contractor.

H. Contractor Property. Materials delivered by or for Contractor and intended to be incorporated into the construction hereunder shall remain on the jobsite and shall become property of Owner upon incorporation into the Work. Contractor may repossess any surplus materials remaining at the completion of the Contract; provided, Contractor shall not charge Owner for any repossessed materials. All scaffolding, apparatus, ways, works, tools, equipment, machinery, and plans brought upon the premises by Contractor shall remain

Contractor's property. It shall be Contractor's responsibility to unload, store, and protect its property to bear the risk of loss thereof.

Materials delivered by or for Contractor and intended to be incorporated into the construction hereunder shall remain on the site and shall become property of Owner upon incorporation into the Work, but Contractor may repossess any surplus materials remaining at the completion of the contract; provided, however, Contractor shall not charge Owner for any repossessed materials. All scaffolding, apparatus, ways, works, machinery, and plants brought upon the premises by Contractor shall remain Contractor's property. It shall be Contractor's responsibility to unload, store, and protect its materials, to bear the risk of loss thereof and to protect such material against loss until actually incorporated into the Work and until the Work is accepted.

I. Default and Takeover. Upon three (3) calendar days' written notice to Contractor, Owner may terminate this Contract in whole or in part for Owner's convenience and/or at its option. Contractor's remedy for such convenience or optional termination is limited to the following: (1) payment pursuant to the terms of this Contract for all Work properly performed prior to termination; (2) partial payment for lump sum items of Work on the basis of the percent complete of such items at the time of termination; and (3) Contractor's reasonable close-out costs. In no event shall Contractor be entitled to any compensation for loss of anticipated profits or unallocated overhead on Work not performed.

Contractor shall be in default of this Contract if it refuses or fails to supply enough properly-skilled workers or materials, refuses or fails to make prompt payment to subcontractors or suppliers of labor, materials or services, fails to correct, replace, or re-execute faulty or defective Work done or materials furnished, disregards the law, ordinances, rules, regulations or orders of any public authority having jurisdiction, files for bankruptcy, or materially breaches this Contract. If Contractor fails to correct the default and maintain the corrected condition within not less than three (3) working days of receipt of written notice of the default, then Owner, without prejudice to any rights or remedies otherwise available to it, shall have the right to terminate this Contract in writing and thereafter either perform the Work itself or obtain another Contractor to perform the Work. All of the costs incurred by Owner shall be charged to Contractor and Owner shall have the right to deduct such expenses from monies due or to become due Contractor. Contractor shall be liable for the payment of any expenses incurred by Owner in excess of the unpaid balance of the Contract Price.

In the event of an emergency including, but not limited to, the imminent potential damage to persons or property requires immediate repair Owner shall be entitled to conduct such repairs without providing advance written notice of the same to Contractor. Owner shall issue written notification to Contractor of such emergency repairs within five (5) days after making such repairs. Contractor shall be solely responsible for the cost of all such emergency repairs.

If Owner's termination for default is later deemed to be wrongful, without cause, or otherwise unjustified, the parties agree that the termination automatically converts to a termination for convenience and Contractor agrees that its remedies for such wrongful termination shall be limited to those provided in the termination for convenience.

If Contractor files or otherwise becomes subject to bankruptcy proceedings, Owner and Contractor agree that any delay attendant to the assumption or rejection of the Contract by the bankruptcy Trustee or a debtor-in-possession will be prejudicial to Owner. Consequently, Contractor, to minimize delay and to mitigate damages and/or other prejudice suffered by

Owner, hereby stipulates to a notice period of ten (10) calendar days for Owner's motion to require Trustee or debtor-in-possession to assume or reject the Contract.

J. Unit Price. In the event this Contract contains unit price items, it is understood and agreed that any quantities mentioned are approximations only and subject to change as required by the Contract or as ordered and directed by Owner.

K. Material Quality. Materials condemned by Owner as failing to conform to the Contract shall, upon notice from Owner, be immediately removed by Contractor. Failure of Owner to immediately condemn any Work or materials as installed shall not in any way waive Owner's right to object thereto to any subsequent time.

L. Job Damage. Damage caused by Contractor, its subcontractors or suppliers, or any subcontractor or supplier of any tier, to Work other than its own shall be reported immediately to Owner and Contractor shall be responsible for its repair. Damage caused by Owner to Work of Contractor shall be reported immediately to Contractor and Owner shall be responsible for its repair.

M. Safety. Contractor and its subcontractors shall take all reasonably necessary safety precautions pertaining to its Work and its Work performance, including compliance with applicable laws, ordinances, regulations and orders issued by a public authority, whether federal, state, local or other, OSHA (Federal Occupational Safety and Health Administration) / DOSH (Washington State Division of Occupational Safety and Health) / WISHA (Washington Industrial Safety and Health Act), and any safety measures requested by Contractor. Contractor shall at all times be responsible for providing a safe jobsite and be responsible for the Work performance and safety of all employees, personnel, equipment and materials within Contractor's or its subcontractors' care, custody or control. Contractor and its subcontractors shall furnish all required safety equipment for its Work and ensure all of their employees and subcontractors' employees have and wear personal protective equipment in compliance with applicable OSHA/DOSH/WISHA requirements.

Contractor certifies that it and its subcontractors are registered contractors. Contractor certifies that it and its subcontractors maintain a written Accident Prevention Plan and a Project-specific safety plan in compliance with applicable OSHA/DOSH/WISHA regulations. Contractor's Accident Prevention Plan should address subcontractor's role and responsibilities pertaining to safety on the Project, training and corrective action and be tailored to safety and health requirements for the Work involved. Contractor shall have and enforce a disciplinary action schedule in the event safety violations are discovered. When and as requested by Owner, Contractor shall provide information regarding safety matters.

Contractor shall promptly provide Owner with written notice of safety hazard(s) or violation(s) found on the Project or of any injury to its or its subcontractors' workers incurred on the Project.

Contractor agrees to defend, indemnify and hold Owner harmless from all OSHA/DOSH/WISHA claims, demands, proceedings, violations, penalties, assessments or fines that arise out of or relate to Contractor's failure to comply with any safety-related laws, ordinances, rules, regulations, orders or its obligations hereunder. Owner may charge against the sums otherwise owing to Contractor the Amount of the fine and the fees, costs and expenses incurred by Owner in the defense of the claims, citation and/or fine arising from or relating to the Contractor's above-referenced failure.

N. Housekeeping and Cleanup. Contractor shall regularly remove all refuse, waste and debris produced by its operation. Refuse shall not be permitted to accumulate to the extent that it interferes with free access to the Project or creates a safety hazard. Avoidance of safety hazards through good housekeeping is an important part of Contractor's obligations. In the event Contractor or its subcontractor fails or refuses to meet these requirements, Owner may remove refuse and charge all costs to the Subcontract, provided that Contractor has received twenty-four (24) hours or one (1) full working day, whichever is greater, prior written notice. In the event Owner determines emergency conditions exist, Owner may proceed as above without prior notice.

Contractor shall comply with all applicable hazardous waste regulations under federal, state or local laws. Contractor shall provide Owner with all Safety Data Sheets ("SDS") for any and all hazardous substances covered under all applicable laws before commencing Work, and all SDS shall comply with OSHA's Hazard Communication Standard. Contractor shall, prior to commencing Work, inform Owner of its intent to use any hazardous substances at the Project and shall continuously update Owner of any new hazardous substance brought to the Project during performance of the Work. Failure to comply with this paragraph may result in fines and damages being assessed to Contractor. Contractor shall defend, indemnify and hold Owner harmless from any and all costs and expenses, including attorneys' fees, arising from the use or discharge of any hazardous substance by Contractor at or off the Project site.

O. Release and Hold Harmless – Damage to Equipment. Contractor hereby releases, discharges and agrees to hold Owner harmless from any damage either to the Contractor's property or rented equipment which is caused in whole or in part by the negligence of Contractor, its agents, employees or subcontractors.

P. Insurance. Contractor shall obtain and keep in force during the term of this Contract and the applicable Statutes of Repose and Limitations period, commercial general liability insurance with dollar limits and coverage equal to, or greater than the types and amounts of coverage noted at the front of this Contract. Such insurance shall be "occurrence-based" and shall include contractual liability coverage applicable to the indemnity provisions of this Contract and "completed operations" coverage. Contractor shall furnish to Owner evidence of this insurance including the provision regarding notice of cancellation or reduction in coverage. Such evidence of insurance shall be in the form of an Insurance Certificate issued by an insurer satisfactory to Owner and shall provide for not less than thirty (30) days prior written notice to Owner of cancellation or reduction in coverage. In the event Contractor fails to maintain any and all insurance required by this Contract during the entire life of this Contract, Owner may at its option, and without waiver of other available remedies, purchase such insurance in the name of Contractor and deduct the cost of same from payments due Contractor.

Contractor shall provide insurance that: (1) names Owner as an additional insured for liability arising out of the Contractor's Work, including completed operations losses, without qualification, limitation or reservation; (2) is endorsed to be primary and noncontributory with any insurance maintained by Owner; (3) does not contain a "cross liability" or similar exclusion that would bar coverage for claims between or among insureds; (4) contains a severability of interest provision in favor of Owner; and (5) contains a waiver of subrogation against Owner. Before commencing work, Contractor shall provide a copy of the additional insured endorsement to Owner as evidence of additional insured status.

Owner makes no representations that the required minimum amount of insurance is adequate to protect Contractor. The procuring and/or carrying of insurance shall not limit Contractor's obligation or liability pursuant to this Contract or as a matter of law.

Q. Workers' Compensation. Contractor shall furnish to Owner evidence that its workers are covered by applicable workers' compensation coverage.

R. Subcontractors. Contractor shall, upon request of Owner, provide a list of all subcontractors and suppliers of Contractor. With regard to all subcontractors retained by the Contractor, the Contractor agrees (i) to be primarily responsible for any Work performed by such subcontractor and to ensure that such Work is timely completed in the manner required herein; (ii) to ensure that invoices submitted by subcontractor comply with the requirements for invoices submitted by Contractor to Owner; (iii) that Contractor shall be solely responsible to make any necessary repairs or to perform punch-list items caused by subcontractor's Work; and (iv) to ensure that subcontractor complies with all the obligations of Contractor set forth herein and to be primarily responsible for any non-compliance. Contractor shall be solely responsible for paying subcontractor any amounts due to it. Owner may request partial lien releases for all partial payments and a final lien release for the final payment to each subcontractor. Contractor agrees to release Owner and to hold Owner harmless from any and all claims by subcontractor for payment.

S. Disputes and Back Charges. In the event of a dispute between Owner and Contractor, Contractor agrees to proceed with the Work in accordance with the requirements of this Contract, pending settlement of the dispute.

T. Indemnification. To the fullest extent permitted by law, the Contractor shall defend, indemnify and hold harmless the Owner and its agents and employees from and against claims, damages, losses and expenses, including, but not limited to attorneys' and expert's fees, (collectively a "claim") arising out of or resulting from performance of the Contractor's Work under this Contract. Such obligation shall not be construed to negate, abridge, or otherwise reduce other rights or obligations of indemnity which would otherwise exist as to a party or person described in this paragraph.

Contractor's duty to indemnify Owner shall not apply to liability for damages arising out of claims caused by or resulting in whole from the negligence of Owner or its agents or employees. Contractor's duty to indemnify Owner for liability for damages arising out of claims caused by or resulting from the concurrent negligence of: (a) Owner, its agents or employees, and (b) Contractor, its agents, employees and lower-tier subcontractors or suppliers of any tier shall apply only to the extent of negligence of Contractor, its agents, employees and lower-tier subcontractors or supplier of any tier.

CONTRACTOR SPECIFICALLY AND EXPRESSLY WAIVES ANY IMMUNITY THAT MAY BE GRANTED IT UNDER THE WASHINGTON STATE INDUSTRIAL INSURANCE ACT, TITLE 51 RCW. FURTHER, THE INDEMNIFICATION OBLIGATION UNDER THIS CONTRACT SHALL NOT BE LIMITED IN ANY WAY BY ANY LIMITATION ON THE AMOUNT OR TYPE OF DAMAGES, COMPENSATION OR BENEFITS PAYABLE TO OR FOR ANY THIRD PARTY UNDER WORKERS' COMPENSATION ACTS, DISABILITY BENEFITS ACTS, OR OTHER EMPLOYEE BENEFITS ACTS PROVIDED CONTRACTOR'S WAIVER OF IMMUNITY BY THE PROVISIONS OF THIS PARAGRAPH EXTENDS ONLY TO CLAIMS AGAINST CONTRACTOR BY OWNER, AND DOES NOT INCLUDE, OR EXTEND TO, ANY CLAIMS BY CONTRACTOR'S EMPLOYEES DIRECTLY AGAINST CONTRACTOR.

Contractor's Initials _____

Contractor agrees that its defense and indemnity obligations to Owner under this Contract survive any limitation imposed by any statute of repose or limitation including but not limited to RCW 4.16.300, 4.16.310, or 4.16.326, and Contractor hereby waives any and all defenses under any statute of repose or limitations. Contractor further agrees that any statute of limitation on a claim by Owner pursuant to this provision shall not begin to run until Owner discovers that Contract has breached either its duty to defend or its duty to indemnify, whichever occurs first.

U. Warranty. The Contractor warrants to the Owner that materials and equipment furnished under the Contract will be of good quality and new, unless otherwise required or permitted by the Contract, that the Work of this Contract will be performed in a workmanlike manner and free from defects not inherent in the quality required or permitted, will comply with all applicable codes and regulations, will be consistent with industry standards, and that the Work will conform to the requirements of the Contract. This warranty shall be in addition to and not in limitation of any other warranty or remedy required by law or the Contract. This warranty shall extend for the longer of the period of (i) the warranty normally given by Contractor for the Work in its ordinary course of business, (ii) the warranty period set forth in the Quote or other documents sent to Owner, or (iii) one (1) year from the date of substantial completion of the Work or occupancy of the Project by Owner, whichever occurs first. The warranty shall not apply to any damage or loss to the Work occasioned by Owner's failure to perform ordinary and reasonable maintenance during the warranty period or any written notice of defects received after the one (1) year period. Owner shall promptly notify Contractor in writing of all warranty claims and allow Contractor reasonable access to the Project to correct or repair the Work.

V. Contract Controls. Except for the Scope of Work and Warranty provisions specifically incorporated herein by the Contract, any terms or conditions attached to or incorporated into Contractor's proposal, quote, or other document shall not apply to the Contract. The Contract shall be solely and exclusively governed by the terms and conditions set forth in the Contract and these Standard Contract General Conditions.

W. Wage and Other Payments. Contractor shall comply with all state and federal wage laws and, upon request, provide proof of the same to Owner. In addition, if Contractor's employees are members of a union, then Contractor shall pay when due all obligations due under the collective bargaining agreement or other agreement, including but not limited to, medical benefits, dental benefits, pension benefits and the like.

X. Notices. All notices, demands, requests, consents and approvals which may or are required to be given by any party to any other party hereunder shall be in writing and shall be deemed to have been duly given if delivered personally, sent by facsimile, emailed, sent by a nationally recognized overnight delivery service, or if mailed or deposited in the United States mail and sent by registered or certified mail, return receipt requested, postage prepaid to the address provided in this Contract or to such other address as either party hereto may from time-to-time designate in writing and deliver in a like manner. All notices shall be deemed complete upon actual receipt or refusal to accept delivery. Electronic transmission of any signed original document and retransmission of any signed electronic transmission shall be the same as delivery of an original document.

Y. Claims. As a condition precedent to any right to recover for any instances of interruption, disruption, extra work, additional work, changed work, delay, hindrance and/or

efficiency loss of any nature whatsoever in Contractor's Work (collectively "Impact"), believed by Contractor to be caused by the acts or omissions of Owner, Architect/Engineer or the employees or agents of any of them, Contractor must provide written notice to Owner in the manner required by this Contract within five (5) days after occurrence of the Impact. Such written notice shall identify the cause of the Impact, the party Contractor believes is responsible for the Impact, and a rough order of magnitude as to the extra cost and/or time resulting from the Impact. FAILURE OF CONTRACTOR TO PROVIDE TIMELY WRITTEN NOTICE, AS PROVIDED IN THIS PARAGRAPH, SHALL RESULT IN AN ABSOLUTE WAIVER AND FORFEITURE OF CONTRACTOR'S RIGHT TO RECOVER ANY ADDITIONAL COST OR TIME RESULTING FROM THE IMPACT.

In the event Contractor believes it is entitled to receive compensation and/or time due to damages from Impact(s), Contractor's Statement of Claim (setting forth in detail the entitlement and quantum basis for Contractor's claim with supporting data and/or the entitlement basis to support an extension of time) shall be delivered to Owner within fifteen (15) days of its Written Notice of Impact, or within sufficient time to allow Owner to comply with the notice and claim requirements of the Main Contract (whichever is sooner). FAILURE OF CONTRACTOR TO TIMELY PROVIDE ITS STATEMENT OF CLAIM FOR AN INCREASE IN THE CONTRACT AMOUNT OR FOR AN EXTENSION OF TIME SHALL RESULT IN AN ABSOLUTE WAIVER OF CONTRACTOR'S CLAIM AND ANY RIGHT TO RECOVER ADDITIONAL COST OR TIME RESULTING FROM THE IMPACT.

Owner does not waive the requirement for timely written notice and/or timely written submission of the Statement of Claim unless Owner's waiver is unequivocal, explicit, and in writing.

Z. Mediation. Claims, disputes, or other matters in controversy arising out of or related to this Contract, except those waived, shall be subject to mediation as a condition precedent to the institution of legal or equitable proceedings by either party. This requirement may be waived by Owner.

AA. Arbitration / Litigation. At Owner's sole option, all claims, disputes, and other matters in question between Contractor and Owner arising out of, or relating to, this Agreement shall be decided by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association then obtaining or by an arbitrator mutually agreed upon by the parties. In the event of arbitration, Contractor and Owner agree to be bound by the findings and award of such arbitration finally and without recourse to any court of law other than for the enforcement of the arbitrator's decision. If the Owner does not select Arbitration as the means of dispute resolution, all claims, disputes and other matters in question between Contractor and Owner arising out of, or relating to, this Agreement shall be decided by an action filed exclusively in the Superior Court of Whatcom County, Washington. The substantially prevailing party in any arbitration or litigation shall be entitled to an award of its attorneys' fees, costs and expert fees.

BB. Governing Law. This Agreement and the right of the parties hereto shall be governed by and construed in accordance with the laws of the State of Washington and the parties agree that in any such action venue shall lie exclusively in Whatcom County, Washington, regardless of where the Project is located. Both parties expressly waive their right to a jury trial.

CC. Amendment. No modification, termination or amendment of this Contract may be made except by written Contract signed by all parties.

DD. Waiver. Failure by Owner or Contractor to insist upon the strict performance of any covenant, duty agreement, or condition of this Contract or to exercise any right or remedy consequent upon a breach thereof shall not constitute a waiver of any such breach or any other covenant, agreement, term or condition. Any waiver must be expressly made in writing and signed by the waiving party.

EE. Severability. In case any one or more of the provisions contained in this Agreement shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

FF. Neutral Authorship. Each of the provisions of this Agreement has been reviewed and negotiated, and represents the combined work product of both parties hereto. No presumption which would interpret the provisions of this Agreement in favor of or against the party preparing the same shall be applicable in connection with the construction or interpretation of any of the provisions of this Agreement.

GG. Captions. The captions of this Contract are for convenience and reference only and in no way define, limit, or describe the scope or intent of this Contract.

HH. Entire Agreement. The entire agreement between the parties hereto is contained in this Agreement; and this Agreement supersedes all of their previous understandings and agreements, written and oral, with respect to this transaction, including any proposal for services. Owner shall not be liable to Contractor or to any third party for any representations, made by any person, concerning the Work or the terms of this Agreement, except to the extent that the same are expressed in this Agreement. No modification, termination or amendment of this Agreement may be made except by written agreement signed by both parties.